



DEFERRED COMPENSATION ADVISORY COMMITTEE

MINUTES

THURSDAY, APRIL 26, 2007

Chair Pascal Roubineau called the Deferred Compensation Advisory Committee meeting to order at 9:09 a.m. on Thursday, April 26, 2007, City Hall, Tower, T-1446.

Roll Call

Pascal Roubineau, Chair	Employees' Representative
Trish Glassey	Employees' Representative
Julia Cooper	Manager's Representative
Peter Jensen, Vice Chair	Manager's Representative
Donna Busse	Management Employees' Representative
Mark Skeen	Firefighter Representative
Jeff Ricketts	Police Representative

Excused Absence

Mark Skeen	Firefighter Representative
------------	----------------------------

Also Present

Courtney Phommachack	Deferred Compensation, Staff
David DeLong	Human Resources, Acting Benefits Manager
Susan Devencenzi	Attorney
Bill Tugaw	Consultant, SST Benefits
Adora Gailo	Finance, Accounting
Gary Bozin	ING
Peter Belardinelli	ING
Bruce DeMers	Police & Fire Retirees
Chuck Christiansen	Retiree- participant
Brad Imamura	Participant
Kelly Wright	Participant

APPROVAL OF MINUTES

1. February 22, 2007

M.S.C (Glassey/Roubineau) to approve the minutes with correction to Chuck's Sklader's last name.

OLD BUSINESS

2. Approval of Revised Resolution for Establishing Unforeseen Emergency Withdrawal Procedures

M.S.C (Jensen/Roubineau) to approve the Revised Resolution for Establishing Unforeseen Emergency Withdrawal Procedures.

NEW BUSINESS

3. Approval of Draft Ordinance to Implement Loan Provision in the Deferred Compensation Plan and Authorization for Staff to Negotiate a Loan Program Custody Agreement with ING Trust Company

A Draft Ordinance was presented by Susan Devencenzi. The Committee provided direction to change the following sections of the draft ordinance in addition to typos:

- 3.48.140 (E)(2): Delete sub-section (b).
- 3.48.140 (F): Clarify that a participant may repay the entire outstanding balance of the loan at any time, in whole or in part, provided a partial prepayment shall not change the payment schedule or the interest rate on the loan.
- 3.48.140 (G): Delete the word “immediately” in the second sentence and add additional language such as “due and payable no later than the last day of the month immediately following the month in which participant receives his or her final compensation from the City. Final compensation includes any payments for unused accrued leave for which the participant may be eligible.”

M.S.C (Jensen/Roubineau) to approve the Revised Draft Ordinance to include the comments and revisions offered by the Committee and to circulate the revised draft among the Committee members before submitting to the City Council for approval in June.

M.S.C (Jensen/Roubineau) to approve authorization for staff to negotiate a custody agreement with ING Trust Company

4. Review DCAC Retreat Agenda

Pascal Roubineau reviewed the DCAC 1st Annual Retreat Agenda. David DeLong noted that due to reservation constraints imposed by the Hayes Mansion, staff booked the Wyndham Hotel on First Street as a back-up venue. It was noted that the Wyndham Hotel venue was immediately available at less cost than the Hayes Mansion.

M.S.C. (Ricketts/Jensen) to approve DCAC Retreat Agenda with an amendment that the Retreat be held at the Wyndham Hotel

The Committee Chair invited comment from the public regarding the DCAC Retreat agenda as approved.

Participant Brad Imamura requested that the Committee consider reviewing and changing the rules for electing and appointing DCAC members at a future meeting. The Committee discussed the most appropriate place for this conversation to take place. In light of the meet-and-confer nature of the request, it was suggested that this item would be more appropriately addressed under Public Comments since the Committee does not have authority to change the rules that determine how Committee members are elected or appointed.

SUBCOMMITTEE REPORTS/RECOMMENDATIONS5. Legislative Activities

Bill Tugaw provided an update on legislative activities. This included a note that that IRS recently issued a Private Letter Ruling confirming that employee contributions to retiree Health Savings Arrangements are taxable to the employee.

The Committee discussed the City's 401(h) account and IRS limits on what percentage of employee contributions can be deposited into that account without jeopardizing the benefit.

Donna Busse committed to provide line-item break-downs of the current retirement contribution rates for the Federated and Police and Fire Retirement Systems at the next meeting.

Suggestion was made to address this Health Savings Arrangement issue at the DCAC Retreat under the Pension Protection Act discussion.

INFORMATIONAL ITEMS6. First Issue of Newsletter: 457 News

Dave Delong reported out that this is the first edition and the Newsletter will go out twice a year for spring and fall.

7. ING Service Logs for March 2007

Gary Bozin presented the reports. Several suggestions were made to revise the presentation of the data including:

- ◆ Changing the number of visits/appointments to number of visits/attendees
- ◆ Changing YTD visits to include the number of attendees with whom ING meets.
- ◆ Correct the labeling of the Beechnut Plant to show Central Service Yard.

The Committee asked if it would be possible to identify new enrollments separate from existing employee encounters. ING indicated that it would have to be determined after further review.

8. Next Meeting: May 24, 2007 City Hall Tower, T-1446, 9:00 a.m.

PUBLIC COMMENTS

Committee asked staff to try to find meeting rooms that would make the Committee more approachable when conducting meetings. The Committee also expressed interest in making the public posting of DCAC Agendas and Minutes more accessible to participants by posting on the City's internet and intranet sites. Staff will research and report on available options at the next Committee meeting.

UNFORESEEABLE EMERGENCY WITHDRAWAL

9. None

MEETING ADJOURNED

M.S.C. (Jensen/Roubineau) to adjourn the meeting at 10:20 a.m.

Pascal Roubineau, Chair
Deferred Compensation Committee

ATTEST:

David DeLong, Staff
Deferred Compensation

NOTE: M.S.C. MEANS MOTION SECONDED AND CARRIED, UNLESS OTHERWISE INDICATED, MOTION PASSED UNANIMOUSLY.